

GST LUT Form: A Complete Guide to Filing & Benefits

Under the Goods and Services Tax (GST) regime, businesses that export goods or services can apply for Letter of Undertaking (LUT) to export without paying IGST. Filing the GST LUT Form helps exporters maintain cash flow, avoid tax blockages, and comply with GST laws seamlessly.

In this blog, we will cover what GST LUT is, its benefits, eligibility, the filing process, and common mistakes to avoid.

What is GST LUT?

Letter of Undertaking (LUT) is a declaration that an exporter submits to the GST department, stating that they will comply with all export rules and regulations without paying Integrated GST (IGST). It is a must for exporters who want to export without paying taxes upfront.

Who Should File GST LUT?

- ✓ Exporters of Goods & Services – Businesses exporting products or services outside India.
- ✓ Suppliers to SEZ Units/Developers – Those supplying goods or services to Special Economic Zones (SEZs).
- ✓ Businesses Providing Zero-Rated Supplies – Those who want to export without IGST payment.

★ **Note:** Businesses that fail to file LUT must pay IGST on exports and later claim a refund, which can block their working capital.

Benefits of Filing GST LUT

- ✓ No IGST Payment on Exports – Helps exporters avoid upfront tax payments.
- ✓ Improves Cash Flow – No need to wait for IGST refunds.
- ✓ Simplifies Compliance – Reduces paperwork and tax refund delays.
- ✓ Hassle-Free Exports – Makes exporting under GST smooth and efficient.

Validity & Renewal of GST LUT

- LUT is valid for one financial year (e.g., April 2023 – March 2024).
- Must be renewed every year before the previous LUT expires.
- If LUT is not filed, exporters must pay IGST on exports and later claim refunds.

Step-by-Step Process to File GST LUT Online

Step 1: Log in to the GST Portal

Go to www.gst.gov.in and log in using your GST credentials.

Step 2: Navigate to GST LUT Application

- Click on “Services” > “User Services” > “Furnish Letter of Undertaking (LUT)”.
- Select the relevant financial year for which LUT is being filed.

Step 3: Fill in the LUT Form

- Enter the details of the authorized person.
- Upload supporting documents (if required).
- Agree to the declarations stating that all GST rules will be followed.

Step 4: Sign & Submit

- Sign using Digital Signature Certificate (DSC) or Electronic Verification Code (EVC).
- Click "Submit" to complete the process.

Step 5: Download LUT Acknowledgment

After submission, download the GST LUT acknowledgment receipt for records.

Documents Required for GST LUT Filing

- ✦ GST Registration Certificate
- ✦ PAN Card of the Business
- ✦ Authorized Signatory Details
- ✦ Past LUT (if applicable)
- ✦ Business Export Documents (e.g., invoices, contracts)

Common Mistakes to Avoid When Filing LUT

- ✗ Not Renewing LUT on Time – Expired LUT means you’ll have to pay IGST on exports.
- ✗ Incorrect Business Details – Ensure details match the GST portal records.
- ✗ Failure to Retain LUT Acknowledgment – Keep a copy in case of tax audits.
- ✗ Not Using LUT for All Exports – LUT applies to all zero-rated supplies, including SEZ supplies.

Conclusion

Filing a GST LUT Form is essential for exporters to avoid unnecessary IGST payments and maintain smooth cash flow. The process is simple, fully online, and must be renewed annually to stay compliant.

Need Help Filing Your GST LUT?

Our expert team ensures hassle-free LUT filing and compliance so you can focus on growing your exports. **Contact us today! ✉**

GST Notice: Types, Reasons & How to Respond Effectively

The Goods and Services Tax (GST) Department issues notices to taxpayers for various reasons, such as non-compliance, incorrect filings, or tax mismatches. Receiving a GST notice can be stressful, but understanding the types of notices, reasons behind them, and how to respond correctly can help businesses stay compliant and avoid penalties.

In this blog, we will cover what a GST notice is, different types of notices, common reasons for receiving one, and the best ways to handle them.

What is a GST Notice?

A GST notice is an official communication issued by the GST Department to a registered taxpayer. It may be issued for:

- ✓ Seeking additional information about tax filings.
- ✓ Pointing out discrepancies in tax payments or returns.
- ✓ Demanding unpaid taxes, penalties, or late fees.
- ✓ Initiating an audit or investigation for suspected non-compliance.

Taxpayers must respond to GST notices within the stipulated time to avoid legal consequences or penalties.

Types of GST Notices & How to Handle Them

1. Notice for Mismatch in GST Returns (GSTR-1 & GSTR-3B) – GST ASMT-10

★ Why You Get It?

- When the tax department finds a mismatch between outward supplies in GSTR-1 and tax paid in GSTR-3B.

✂ How to Respond?

- Verify GST returns and correct discrepancies if necessary.
- File a response through the GST portal with supporting documents.

2. Show Cause Notice (SCN) for Non-Compliance – GST REG-17

★ Why You Get It?

- If a taxpayer violates GST laws, such as not filing returns for multiple months or engaging in fraudulent transactions.

✂ How to Respond?

- Submit a proper reply via the GST portal, justifying the compliance status.
- Attend hearings if required to present your case.

3. Notice for Non-Filing of GST Returns – GSTR-3A

★ Why You Get It?

- If a taxpayer fails to file monthly or quarterly GST returns (GSTR-1, GSTR-3B, or GSTR-4).

✂ How to Respond?

- File pending GST returns immediately to avoid penalties.
- Pay late fees and interest as applicable.

4. Demand Notice for Outstanding Tax Liability – GST DRC-01

★ Why You Get It?

- If the tax department finds under-reported tax liabilities, they issue a demand notice.

✂ How to Respond?

- Review the notice and reconcile tax records.
- If the tax is correct, pay the amount and update records.
- If incorrect, file an appeal with valid proof.

5. Notice for GST Audit – GST ADT-01

★ Why You Get It?

- Issued when the department selects a business for audit based on risk assessment or turnover.

✂ How to Respond?

- Maintain accurate books of accounts, invoices, and tax records.
- Cooperate with the GST officer and provide required documents.

6. Scrutiny Notice for Tax Discrepancies – GST ASMT-11

★ Why You Get It?

- If irregularities or tax evasions are found in GST returns.

✂ How to Respond?

- Clarify discrepancies and submit a detailed response.
- If errors exist, pay the tax difference and interest.

How to Respond to a GST Notice?

- ✓ Step 1: Log in to the GST Portal – Go to www.gst.gov.in and check the notice under "View Notices and Orders".
- ✓ Step 2: Read the Notice Carefully – Understand the reason and deadline for response.
- ✓ Step 3: Gather Supporting Documents – Prepare invoices, GST returns, and records for justification.
- ✓ Step 4: Draft a Proper Reply – Provide a clear response with necessary explanations and

attachments.

✔ Step 5: File a Response Online – Upload the reply on the GST portal and track status.

What Happens If You Ignore a GST Notice?

📌 Non-compliance with GST notices can result in:

- ✗ Penalties & Interest – Additional tax liabilities may be imposed.
- ✗ Business Registration Cancellation – For repeated non-filing or fraudulent activities.
- ✗ Legal Proceedings – In severe cases, prosecution or audits may follow.

Conclusion

Receiving a GST notice is not uncommon, but timely action and accurate responses can prevent legal troubles. Understanding why notices are issued, responding effectively, and maintaining proper tax compliance will help businesses avoid unnecessary penalties.

Need Help with a GST Notice?

Our GST experts assist in reviewing and responding to GST notices professionally. **Contact us today for hassle-free GST compliance! 📞**